

Assembly Bill No. 1947

CHAPTER 459

An act to add Section 387.8 to the Public Utilities Code, relating to solar energy.

[Approved by Governor September 29, 2010. Filed with
Secretary of State September 29, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1947, Fong. Solar energy.

Existing law requires local publicly owned electric utilities to initiate a public proceeding to adopt, implement, and finance a solar initiative program to further the state goal of installing 3,000 megawatts of photovoltaic solar energy in the state. Existing law requires the program to be consistent with prescribed requirements, including that solar energy systems receiving monetary incentives be intended primarily to offset part or all of the consumer's own electricity demand, and that the solar energy system be located on the same premises of the end-use consumer where the consumer's own electricity demand is located.

This bill would authorize a local publicly owned electric utility to adopt, implement, and finance a solar initiative program exempt from those offset and same-premises program requirements, where residential and business consumers offset part or all of their electricity demand with electricity generated by a solar energy system not located on the premises of the consumer, if the program meets certain requirements.

The people of the State of California do enact as follows:

SECTION 1. Section 387.8 is added to the Public Utilities Code, to read:

387.8. Notwithstanding paragraphs (2) and (5) of subdivision (d) of Section 387.5, a local publicly owned electric utility may adopt, implement, and finance a solar initiative program otherwise in accordance with that section, using monetary incentives authorized by subdivision (b) of Section 387.5, to residential and business consumers where consumers offset part or all of their electricity demand with electricity generated by a solar energy system not located on the premises of the consumer, if all of the following requirements are met:

(a) The solar energy system meets all of the following conditions:

- (1) It is located within the service territory of the local publicly owned electric utility.
- (2) It has a capacity of no more than five megawatts.

(3) It is interconnected to the local publicly owned electric utility's system at the distribution level.

(b) The local publicly owned electric utility meets all of the following conditions:

(1) It provides monetary incentives authorized by Section 387.5 for not more than the first megawatt of generating capacity of each solar energy system.

(2) It has contracted to purchase the total electricity produced by the solar energy system or owns the solar energy system.

(3) It provides no greater incentive per watt for the solar energy system than provided for by systems that participate in the applicable solar initiative program established under Section 387.5.

(4) It has received approval for the solar energy system from its governing board at a publicly noticed and held meeting.

(c) The total megawatt capacity of solar energy systems eligible for a local publicly owned electric utility program under this section is both of the following:

(1) Not more than the total megawatt capacity of the combined residential and commercial solar energy systems installed in the service area of the local publicly owned electric utility after July 1, 2010, that participate in the applicable solar initiative programs established under Section 387.5.

(2) Not more than 20 percent of the proportionate amount for the local publicly owned electric utility of the overall 3,000 megawatt state goal set forth in Section 387.5, based on the percentage of the total statewide load served by that entity.